

## Obama to meet for first time in two years with House Republicans

By Alexander Bolton and Justin Sink - 03/13/13 05:00 AM ET

President Obama will meet with the House Republican conference on Wednesday for the first time since June 2011.

It will also be the first time he has visited his main antagonists on Capitol Hill on their own turf since 2009 — just a week after he took office and when they remained a House minority.



The meeting continues an outreach effort launched by Obama over the past few weeks that will see him meet with all four congressional caucuses on Capitol Hill.

The effort is aimed at reaching a grand bargain deficit-reduction deal by the summer, though Obama is also expected to address his entire second-term agenda, including gun control, immigration reform and smaller-bore issues like raising the minimum wage and passing a new cybersecurity law.

The action started Tuesday in the Senate with Obama's meeting with upper chamber Democrats.

Though they are his most powerful congressional allies, there is tension in that relationship too given fears of liberal Democrats that Obama will make too many concessions with House and Senate Republicans on entitlement cuts, all in the hope of reaching a deficit deal.

Obama stood firm Tuesday when pressed to back away from benefit cuts during the meeting with the Senate Democratic Conference, according to lawmakers who attended.

Democrats emerged from the Senate's Mike Mansfield Room publicly declaring party unity.

But behind closed doors, liberals in the Senate caucus raised concerns about Obama's readiness to consider cuts to Social Security benefits and his support for a deficit-reduction package evenly split between spending cuts and tax increases.

Obama did not back down from a proposal to switch to the chained consumer price index formula for calculating Social Security benefits, according to lawmakers.

Senate Majority Leader Harry Reid (D-Nev.) insisted that just because Obama and Vice President Biden had offered such concessions in prior negotiations with Republicans, it did not mean congressional Democrats would agree.

"The president in the past, in personal negotiations with Boehner, Biden with personal negotiations with Cantor, have indicated they'd be willing to do certain things," Reid said, referring to Speaker John Boehner (R-Ohio) and House Majority Leader Eric Cantor (R-Va.).

"The Republicans never get further than that," Reid said. "They take these things that are talked about in abstract and say that's what we've agreed to. We haven't agreed to any of that."

"Most of the conversation I caught was on Social Security," Sen. Chris Murphy (D-Conn.) said, describing the back-and-forth on entitlement reform.

"He's been clear in the past that he's willing to take a look at some aspects of Social Security."

Some Democrats pressed Obama to back away from benefit cuts and instead support tax increases as the sole solution for prolonging the program's solvency.

Obama had discussed entitlement reform with a dozen Senate Republicans over a private dinner last week.

"I urged him not to cut Social Security and benefits for disabled veterans," said Sen. Bernie Sanders (Vt.), an independent who caucuses with Democrats.

"He is concerned about the long-term solvency of Social Security and so am I. But I think he recognized there are different ways to approach it. You can bring more revenue into the program or you can cut benefits.

"At this point I think he is more inclined to cut benefits, which I strongly disagree with," Sanders said.

Senior administration officials thought the first meeting with lawmakers was as one put it, "off to a good a start."

"I think it went as well as planned," one official said, adding that Obama aides expected some Democrats to hold firm on not cutting entitlements.

"We knew some would hold those views. It's exactly what we anticipated. But we need to all come together and find out what we can and can't live with. That's the way we compromise. We don't have to give up on our values to reach a compromise. I think that's the message the president sent today."

Before the meeting, some Democrats said they would challenge Obama over his support for a deficit-reduction package that includes an even split of spending cuts and tax revenues.

Sen. Tom Harkin (D-Iowa), chairman of the Health, Education, Labor and Pensions Committee, said he would tell Obama that future budget bills should be tilted more heavily toward tax increases to balance out \$1.7 trillion in spending cuts already enacted.

In an interview taped Tuesday with ABC News, Obama reiterated his call for a "balanced" package that would include entitlement reforms.

"If we controlled spending and we have a smart entitlement package, then potentially what you have is balance — but it is not balance to, on the backs of the poor, the elderly, students who need student loans, families that have disabled kids," Obama said.

The president and Democratic senators also discussed the administration's policy on drones and tax reform, two sensitive topics in the upper chamber.

Last week, Sen. Ron Wyden (D-Ore.) joined Sen. Rand Paul (R-Ky.) in filibustering John Brennan's nomination to head the CIA. Lawmakers said the subject came up again on Tuesday.

Senate Finance Committee Chairman Max Baucus (D-Mont.) said Obama brought up the subject of tax reform. Baucus and Budget Committee Chairwoman Patty Murray (D-Wash.) have differed over the question of whether tax reform should come up under special budgetary protections known as reconciliation.

Baucus does not want his effort constrained by broad parameters laid out by the budget panel.

"He parenthetically talked about it, the need for it," Baucus said of Obama's remarks.

Murray unveiled the broad outlines of her budget plan at the lunch, giving a lengthy presentation before Obama joined the meeting.

Murray's blueprint calls for raising \$975 billion in tax revenues by closing corporate and individual tax loopholes.

Centrist Democrats facing reelection in 2014 were mum on that subject after leaving the meeting. Sens. Mark Pryor (D-Ark.) and Kay Hagan (D-N.C.) both declined to comment about the proposed tax hikes.

Sen. Charles Schumer (D-N.Y.), the Senate Democrats' chief political strategist, predicted his colleagues would rally around Murray's budget.

"We have a diverse caucus, and I think it's a budget that will get very broad support in our caucus, very broad," he said.

Schumer declared relations between Senate Democrats and the White House are at a high point. Obama made a point of telling Democrats that he would reach out to them more frequently, Schumer said.

One Democratic senator described Obama's outreach to Congress as "spotty" in his first term.

Some centrist Democrats raised their concerns about tax policy with Obama before Tuesday's lunch.

"I had my conversation with him about a week ago about oil and gas," said Sen. Mark Begich (D-Alaska), who along with Sen. Mary Landrieu (D-La.) has balked at ending tax subsidies for oil-and-gas companies as a way to reduce the deficit.

The president also talked about cybersecurity, job growth and education.

Sen. Barbara Mikulski (D-Md.) earlier in the day called cybersecurity one of the most important issues on Congress's agenda this year.

"Cyber warfare is one of the greatest threats facing America," she said.

*Ben Geman and Amie Parnes contributed to this report.*

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